

HOLNAM INC.  
GeoTechnical Services Department  
4629 N. Overland Trail, Bldg. A  
P.O. Box 1468  
LaPorte, CO 80535-1468

RECEIVED

SEP 25 2001

DIVISION OF  
OIL, GAS AND MINING

**HOLNAM**

Date 9-17-01

To:

Mr. Tom Munson, State of Utah  
Department of Natural Resources  
Division of Oil, Gas and Mining  
1594 West North Temple Suite 1210  
Box 145801  
Salt Lake City, UT 84114-5801

801-538-5291  
801-359-3940fax

5/45/060

**Subject: Application for SMO – Diatomaceous Earth (DE) Deposit  
Skull Valley, Utah – September 18, 2001**

Dear Tom,

Attached is the Application for a Small Mining Operation. The application is for the same area as the Notice for Exploration (E450132).

The owner of the unpatented mining claims is:

Christopher Robinson, Manager  
Castle Rock Land and Livestock LLC i.e. ("CRL")  
139 E. South Temple, Suite 310  
Salt Lake City, UT 84111

801,328,1600  
801,328,1616fax

Holnam Inc will act as the Operator and be responsible for the mining and reclamation.

Holnam will campaign mine the DE on an annual basis. Only 3 acres will be mined per campaign with an additional one acre used to temporarily stockpile the overburden for later use in reclamation. At the end of each campaign all the reclamation work will be performed.

If you have any questions concerning this application, please advise.

Thank you,



Tom Newman  
Sr. Geologist

Attachments:

Check for \$100.00 – Application fee for SMO  
Copy of BLM Plan of Operations Notice  
Copy of USGS 7.5' Terra, UT map, three detailed maps of the DE area

CC:

Roy Stienmier – Holnam Chief Geologist  
Dave Nelson – Holnam Attorney  
Todd Richards – Holnam Legal Corporate Counsel  
Chester Goodson – Holnam Devil's Slide Plant Manager  
Chris Robinson – CRL

Assigned DOGM File No.: S / 45 / 060

DOGM Lead: T M

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
**DIVISION OF OIL, GAS AND MINING**  
1594 West North Temple Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5291  
Fax: (801) 359-3940

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**DIVISION OF  
OIL, GAS AND MINING**

*Rec'd permit fee  
100% ok # 8/170*

**NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS**

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

"Small Mining Operations" means mining operations which disturb five or less surface acres at any given time.

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**I. GENERAL INFORMATION (Rule R647-3-104)**

1. Name of Mine: **Skull Valley Diatomaceous Earth Quarry**
2. Name of Operator/Applicant: **Holnam Inc**  
Company ( ) Corporation (X) Partnership ( ) Individual ( )
3. Permanent Address: **P.O Box 1468**  
City: **Ft. Collins** State: **CO** Zip Code: **80535-1468**  
Telephone Number: **(970) 482 - 5600** Fax: **(970) 482 - 5608**
4. Ownership of Land Surface:  
Private (Fee) ☐ Public Domain (BLM) ☒ National Forest (USFS) ☐  
State Trust Land/School Sections ☐ State Sovereign Lands ☐  
Other (please describe): \_\_\_\_\_

Name _____	Address _____
Name _____	Address _____
Name _____	Address _____
Name _____	Address _____

5. Ownership of Minerals:Private (Fee) ☐ Public Domain (BLM) ☒ National Forest (USFS) ☐State Trust Land/School Sections ☐ State Sovereign Lands ☐

Other (please describe): \_\_\_\_\_

Name \_\_\_\_\_ Address \_\_\_\_\_

Utah Mining Claim Number(s): N/AUtah State Lease Number(s): N/AName of Lessee(s) N/A

## 6. Have the above surface and mineral owners been notified in writing?

Yes X No \_\_\_\_\_

If no, why not? \_\_\_\_\_

*Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration prior to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.*

7. Does the operator have legal right to enter and conduct mining operations on the land covered by this notice? Yes X No \_\_\_\_\_II. PROJECT LOCATION & MAP (Rule R647-3-105)

## 1. Project Location (legal description):

County(ies): Tooele County

_____ 1/4, of _____ 1/4, of <u>SW</u>	1/4: Section: <u>6</u>	Township: <u>6S</u>	Range: <u>7W</u>
_____ 1/4, of _____ 1/4, of <u>E</u>	1/2: Section: <u>18</u>	Township: <u>6S</u>	Range: <u>7W</u>
_____ 1/4, of _____ 1/4, of <u>NE</u>	1/4: Section: <u>7</u>	Township: <u>6S</u>	Range: <u>7W</u>
_____ 1/4, of _____ 1/4, of <u>NW</u>	1/4: Section: <u>7</u>	Township: <u>6S</u>	Range: <u>7W</u>
_____ 1/4, of _____ 1/4, of <u>SE</u>	1/4: Section: <u>7</u>	Township: <u>6S</u>	Range: <u>7W</u>
_____ 1/4, of <u>N</u>	1/2, of <u>SW</u>	1/4: Section: <u>7</u>	Township: <u>6S</u>
_____ 1/4, of <u>SE</u>	1/4, of <u>SW</u>	1/4: Section: <u>7</u>	Township: <u>6S</u>

UTM East \_\_\_\_\_ (if known) UTM North \_\_\_\_\_ (If known)

Name of Quad Map for Location Terra, UT

## 2. A topographic base map showing the location of the proposed small mining operation must be submitted with this notice. A USGS 7.5 minute series map is preferred. The areas to be disturbed should be plotted in sufficient detail so that they can be located on the ground. It is recommended that the operator also photo document, plot and label any pre-existing disturbances in the immediate vicinity that he is not responsible for.



3. The proposed (5 acre or less) disturbed area boundary (including access/haul roads) **must** be marked in the field ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers must be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

### III. OPERATION PLAN (Rule R647-3-106)

1. Type of mining: Surface ☒ Underground ☐
2. Mineral(s) to be mined: Diatomaceous Earth
3. Will any water, liquid chemicals, reagents, or other solutions be used, produced or discharged as part of the mining or milling process?  
Yes ☐ No ☒ If yes, please describe (add extra pages if needed) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
4. Provide a brief description of the proposed mining operation and onsite processing facilities (add extra pages if necessary). Diatomaceous Earth (DE) is very soft and loose, much like the consistency of dirt. The mining is a re-opening an existing DE pit and removing the DE with a front-end loader. The front-end loader will load highwat dump trucks. Trucks will transport the DE to Devils Slide, UT. There will be no onsite processing. See Attached BLM Plan of Operations
5. ☐ New Road(s): Length \_\_\_\_\_ (ft) Width \_\_\_\_\_ (ft)
6. ☒ Improved Road(s): Length 3168 (ft) Width 14 - 18 (ft)
7. Total project surface acreage to be disturbed: 4 acres at any one time (acres)
8. Proposed startup date of project (month, year) 1, 2002
9. Proposed completion date of project, if known (month, year) within 12 months of start

### IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover. To accomplish this, the operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining:

1. *Keep the mining operation in a safe, clean, and environmentally stable condition.*
2. *Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.*
3. *Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.*
4. *Construct berms, fences, or barriers, when needed, above highwalls and excavations.*
5. *Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.*
6. *Remove all waste or debris from stream channels.*



7. *Dispose of any trash, scrap metal, wood, machinery, and buildings.*
8. *Conduct mining activities so as to minimize erosion and control sediment.*
9. *Reclaim all roads that are not part of a permanent transportation system.*
10. *Stockpile topsoil and suitable overburden prior to mining.*
11. *Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.*
12. *Properly prepare seedbed to a depth of six inches by ripping, discing, or harrowing. Leave the surface rough.*
13. *Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)*
14. *Plant the seed with a rangeland or farm drill, or if broadcast seeded, harrow or rake the seed 1/4-1/2 inch into the soil - fall is the preferred time to seed.*

**V. VARIANCE REQUEST (Rule R647-3-110)**

Yes ☐ No ☒

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above, should be identified below and justification given for the variance request(s).

<u>Item Number</u>	<u>Variance Request Justification</u>
_____	_____
_____	_____

**VI. PERMIT FEE [Mined Land Reclamation Act 40-8-7(I)]**


The Utah Mined Land Reclamation Act of 1975 [40-8-7 (I)] provides the authority for the assessment of permitting fees. Commencing with the 1998 fiscal year (July 1 - June 30), permit fees are assessed to new and existing notices of intention and annually thereafter, until the project disturbances are successfully reclaimed by the operator and released by the Division.

***Small Mining Notices require a \$100.00 fee which must accompany this application or it cannot be processed by the Division.***

**VII. SIGNATURE REQUIREMENT**

I hereby commit to conduct mining operations and to reclaim the aforementioned small mine as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.

Signature of Operator/Applicant: \_\_\_\_\_



Name (typed or printed): \_\_\_\_\_

Roy Stienmier

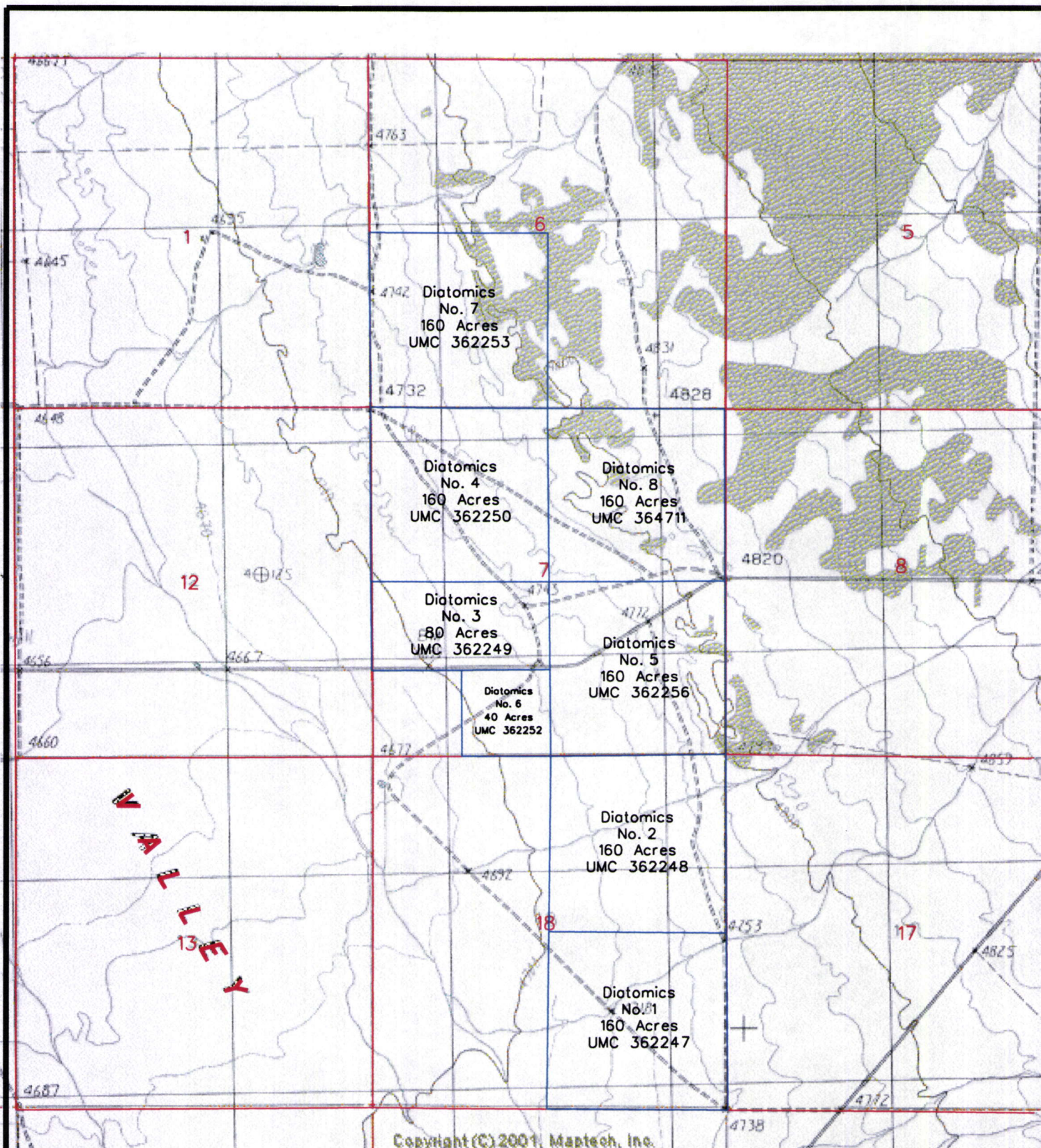
Title/Position (if applicable): \_\_\_\_\_

Chief Geologist, Holnam Inc

Date: \_\_\_\_\_

September 17, 2001







Diatomics  
No. 4  
160 Acres  
UMC 362250

Diatomics  
No. 8  
160 Acres  
UMC 364711

Diatomics  
No. 3  
80 Acres  
UMC 362249

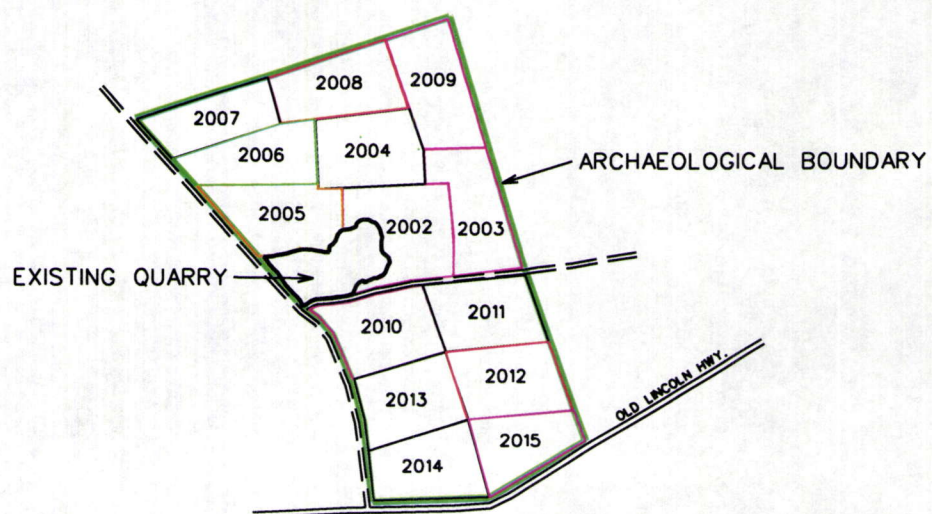
Diatomics  
No. 5  
160 Acres  
UMC 362256

Diatomics  
No. 6  
40 Acres  
UMC 362252

**US BLM PLAN OF OPERATIONS ARCHAEOLOGICAL SURVEY REQUEST  
- INSIDE GREEN LINE (46 ACRES)  
SECTION 7, T6S, R7W IN SKULL VALLEY, TOOELE COUNTY, UTAH  
DIATOMACEOUS EARTH DEPOSIT, TERRA, UTAH QUAD  
CRLI AND HOLNAM, INC. - SEPTEMBER 2001**

**1" = 800'**





**US BLM PLAN OF OPERATIONS  
 PROPOSED MINING SEQUENCE BY YEAR IN THREE ACRE BLOCKS  
 SECTION 7, T6S, R7W IN SKULL VALLEY, TOOELE COUNTY, UTAH  
 DIATOMACEOUS EARTH DEPOSIT, TERRA, UTAH QUAD  
 CRLL AND HOLNAM, INC. - SEPTEMBER 2001**

**1" = 800'**